



**STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE**

JANET NAPOLITANO
GOVERNOR

SAMUEL P. WERCINSKI
COMMISSIONER

2910 NORTH 44TH STREET, SUITE 100 PHOENIX, ARIZONA 85018
TELEPHONE (602)771-7750 FACSIMILE (602) 468-0562

400 NORTH CONGRESS, SUITE 523 TUCSON, ARIZONA
TELEPHONE (520) 628-6940 FACSIMILE (520) 628-6940

**HUD SUPPLEMENT FOR SUBDIVISION AND
UNSUBDIVIDED LAND QUESTIONNAIRES**

FOR DEVELOPERS THAT ARE REQUIRED TO FILE FOR, AND OBTAIN, A HUD REPORT FROM THE INTERSTATE LAND SALES/RESPA DIVISION OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

Note: The requirement to ascertain whether the developer is required to obtain a HUD report is the responsibility of the developer. Any questions arising from doubts about registration can be addressed in writing, or by telephone to HUD.
(See Attachment B)

In addition to the regular Questionnaire, the following data is required to comply with the Interstate Land Sales Full Disclosure Act and the Certification Agreement dated July 30, 1999, between HUD and this Department:

- I. The completed Federal (HUD) Fact Sheet (Attachment A). The fact sheet must be filed with HUD together with your Certified Arizona Public Report and HUD's applicable fee.
- II. Specimens of all Contracts, Agreements to Purchase, or Promissory Notes must contain the following:
 - A. "IF YOU RECEIVED THE PUBLIC REPORT PRIOR TO SIGNING A CONTRACT OR AGREEMENT, YOU MAY CANCEL YOUR CONTRACT OR AGREEMENT BY GIVING NOTICE TO THE SELLER ANYTIME BEFORE MIDNIGHT OF THE SEVENTH DAY FOLLOWING THE SIGNING OF THE CONTRACT OR AGREEMENT.
 - B. IF YOU HAVE SIGNED A PURCHASE AGREEMENT PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE AGREEMENT.
 - C. IF YOU DID NOT RECEIVE THE PUBLIC REPORT BEFORE YOU SIGNED A CONTRACT OR AGREEMENT YOU MAY CANCEL THE CONTRACT OR AGREEMENT ANYTIME WITHIN TWO YEARS FROM THE DATE OF SIGNING."

HUD Supplement cont.

PARAGRAPHS A, B AND C ABOVE AND THE BLANKET FEDERAL 2 YEAR RESCISSION PERIOD DISCUSSED BELOW MUST BE UNIFORM IN SIZE AND TYPE (MINIMUM 10 POINT BOLDFACE TYPE), AND DISTINGUISHABLE FROM THE PRINT IN THE BALANCE OF YOUR CONTRACT AND PROMISSORY NOTE.

In addition to the above rescission rights, the developer must comply with one of the following conditions in order to avoid a blanket Federal two-year rescission period.

- D. Provide in the contract that Seller will deliver a warranty deed or its equivalent free and clear of liens and encumbrances to the purchaser within 180 days of the signing of the contract;

OR,

- E. If a deed is not delivered within 180 days of the signing of the contract, the contract must contain the following provisions:
1. A legally sufficient and recordable lot description; and
 2. A provision that the seller will give the purchaser written notification of purchaser's default and the opportunity to have at least 20 days from the receipt of the notice to correct the default; and
 3. A provision that, if the purchaser loses rights and interest in the lot because of purchaser's default after 15% of the purchase price has been paid, exclusive of interest, the seller shall refund to the purchaser any amount which remains from the payments made after subtracting 15% of the purchase price, exclusive of the interest, or the amount of the seller's actual damages whichever is the greater.

If the developer does not deliver a deed within 180 days of the signing of the contract or if the above contract or provisions are not included in the contract, the following or similar language must be used in place of any other Federal rescission language:

“UNDER FEDERAL LAW YOU MAY CANCEL YOUR CONTRACT OR AGREEMENT OF SALE ANYTIME WITHIN TWO YEARS FROM THE DATE OF SIGNING AND RECEIVE A FULL REFUND OF ALL MONIES PAID.”

In summary, all contracts or agreements of sale and promissory notes must, at a minimum, contain rescission language noted in A, B, and C above. However, if the developer does not comply with item D or E (regarding delivery of the deed) above, then a blanket Federal two-year rescission period is available to the purchaser.

- III. Specimens of all Contracts or Agreements to Purchase must include a specific provision that any offering of roads, water, sewer, gas, electric service, or recreational amenities will be provided or completed by the Developer.
- IV. Fully disclose and explain any costs to the purchaser regarding electric, gas, telephone, septic system, central water or sewer, including tap fee, hookup fee, connective charge, or installation to lot line charge.

Note: **FAILURE TO BE EXPLICIT AS TO COSTS MAY CAUSE A REJECTION OF THE CERTIFICATION BY HUD. HUD WILL VERIFY ALL OFFSITE EXTENSION AND CONNECTION COSTS.**

FURTHER, HUD REQUIRES AN AMENDMENT OR CORRECTION TO THE CERTIFIED PUBLIC REPORT WHEN A CHANGE HAS OCCURRED IN THE STATUS OF THE COMPLETION OF THE OFFSITE IMPROVEMENTS AND RECREATIONAL AMENITIES. FOR EXAMPLE, THE EXTENSION OF COMPLETION DATES AND/OR THE COMPLIANCE WITH THE COMPLETION DATES AS REPRESENTED REQUIRES AN AMENDED OR CORRECTED PUBLIC REPORT.

FEDERAL (HUD) FACT SHEET

Subdivision Name:

Developer's Name, Address and Telephone Number:

Agent's Name, Address and Telephone Number:

Name of State in which Developer (legal entity) is organized:

Address of Developer's (Legal Entity's) Principal Office or Place of Business:

Identify the Type of Legal Entity:

Number of Lots in Offering:

Approximate No. of Acres in Offering:

Type of Filing (i.e., Initial, Amendment or Consolidation to an existing filing):

If a Federal filing has been made in the subdivision, state the present registration (OILSR) Number:

List the utilities and facilities (roads, water, sewer, electricity, telephone, recreational facilities) that the developer is proposing to complete in the subdivision and their complete dates if they have not been disclosed in the property report:

List Names and Addresses of Officers and Directors, if other than a sole proprietorship:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

451 7th Street, S.W.
Washington, D.C. 20410

OFFICE OF CONSUMER AND REGULATORY AFFAIRS

David Nimmer (Deputy)
(202) 708-6401 (ext. 5618)

**RESPA/INTERSTATE LAND
SALES DIVISION**

Room 9146

Ivy Jackson, Director

(202) 708-0502 (ext. 5211)

EXAMINER FOR ARIZONA:

Mattie Akins

(202) 708-0502 (ext. 2068)

DIVISION SECRETARY

Lessie Marrow

(202) 708-0502 (ext. 2336)

RECORDS and CONTROL

Charlene Young

(202) 708-0502 (ext. 2209)

**LAND SALES (EXEMPTIONS,
COMPLAINTS AND
COMPLIANCE)**

Deborah Reid

(202) 708-0502 (ext. 2063)

**LAND SALES (COMPLAINTS AND
COMPLIANCE)**

Will Christie

(202) 708-0502 (ext. 5103)

OTHER EXAMINERS

Anita Hart

(202) 708-0502 (ext. 2066)

John Kuzava

(202) 708-0502 (ext. 2067)

**REAL ESTATE SETTLEMENT
PROCEDURES (RESPA) staff**

Ivy Jackson

(202) 708-0502 (ext. 2333)

Daniel Johnson

(202) 708-0502 (ext. 2074)

Janice Madison

(202) 708-0502 (ext. 2075)

Adelle Sullivan

(202) 708-0502 (ext. 2334)